

EXHIBIT E



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September 1, 2020

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VIA E-MAIL

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Re: Commonwealth Cash Rule 2004 Requests

Counsel:

I write in further response to your August 17, 2020 letter (the “August 17 Letter”), and to address the parties’ recent meet and confer discussions, including the meet and confer held on August 28, 2020.

1. Categories 1 and 2 (Documents relied upon in connection with certain October 2, 2019 presentations and in connection with Duff & Phelps’ and/or Ernst & Young’s investigations).

“Master Database”/Intermediate Documents. On the August 28 meet and confer, the parties further discussed Ambac’s request for all “intermediate-level” documents, including “Excel spreadsheets or other charts or calculations performed on raw data,” “for any iteration of the cash analysis.” August 17 Letter at 4-5. On the call, the Oversight Board explained that those “intermediate-level” documents are not relevant to the stated purpose of Ambac’s Rule 2004 investigation. The Oversight Board has produced the factual source materials and raw data underlying the Duff & Phelps report and the October 2 presentations. As the Oversight Board has repeatedly explained, those factual source materials and raw data provide Ambac with the information necessary to understand the Commonwealth’s cash on hand, make its own assessment of what cash is restricted and test the Oversight Board’s current restriction determinations, as set forth in the Amended Disclosure Statement.¹

The Oversight Board understood that Ambac requested “intermediate-level” documents reflecting the underlying calculations in the October 2 presentations so that it could reproduce the charts and tables included in those presentations, and so that it could understand whether the Oversight Board’s restriction determinations had changed over time. To that end, the Oversight Board produced a version of Exhibit J to the Amended Disclosure Statement that includes, for each bank account listed, the last 4 digits of each bank account number. That document provides Ambac with the information necessary to compare the account restriction classifications listed in

¹ The “Amended Disclosure Statement” is the *Disclosure Statement for the Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* [ECF No. 11947].



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Exhibit J with the accounts in Duff & Phelps' master database. In addition, and in the interest of avoiding a dispute, the Oversight Board produced an "account tracker" prepared in connection with the October 2 presentations. That "account tracker" includes information regarding the Oversight Board's preliminary restriction determinations, as of the date of the October 2 presentation, on an account-by-account basis.

For the reasons explained above, any other "intermediate-level" documents are not relevant. Further, as the Oversight Board has repeatedly explained, any other "intermediate-level" documents contain information protected by the attorney-client and work product privileges. The Oversight Board continues to reserve its rights to respond further to Ambac's privilege arguments once Ambac has articulated a legitimate basis for the relevance of these documents.

Process Documents. In the August 17 Letter, and on the August 28 meet and confer, Ambac requested an update regarding its request for "process" documents. As the Oversight Board explained on the call, we are continuing to work with our client and its advisors to determine what information can be provided. We will respond in writing as soon as we are able.

With respect to Ambac's request for identification of individuals who were involved in the preparation of the Duff & Phelps report and the October 2 presentations, as well as its request for identification of email custodians potentially relevant to Ambac's requests, the Oversight Board declines to provide such an identification. As the Oversight Board has repeatedly explained (including on the August 28 meet and confer), how the Oversight Board and its advisors conducted their analyses is not relevant. As with the work papers underlying those analyses, the identities of the individuals who conducted such analyses are not relevant.

Privilege Log. The Oversight Board will provide a categorical privilege log of documents withheld from its production with regard to the factual source materials and raw data underlying the Duff & Phelps report and the October 2 presentations. We presently anticipate being able to provide that categorical privilege log by the end of September.

Factual Source Materials and Raw Data. The Oversight Board intends to soon produce partially unredacted versions of the Duff & Phelps documents which had account numbers redacted in their prior production. While personally identifying information will remain redacted, the first instance of each account number will appear in unredacted form. To the extent multiple account numbers appear in a single document, the Oversight Board has removed redactions for each unique account number appearing in the document.

To the extent Ambac identifies specific documents as to which it believes additional redactions should be removed, we remain willing to meet and confer with respect to those specific documents.

Follow-Up Requests regarding Amended Disclosure Statement. As explained on the August 28 meet and confer, the Government Parties are continuing to investigate this request.



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Follow-Up Request regarding Engagement Letters. On the August 28 meet and confer, Ambac requested copies of the engagement letters for the professionals who prepared the Duff & Phelps report and the October 2 presentations. The Oversight Board notes that its professionals' engagement letters are available on its website, and that Duff & Phelps's engagement letter was also attached as Appendix B to its report. Nevertheless, the Oversight Board will produce final versions of these advisors' engagement letters in the near term, notwithstanding our view that they are irrelevant.

2. Category 3 (Documents related to the Commonwealth's necessary operating expenses).

As the Oversight Board has explained, the Oversight Board will respond to certain of the August 4 interrogatories, as clarified by Ambac on the August 28 meet and confer.

In addition, on the August 28 meet and confer, the Oversight Board and AAFAF requested a two-week extension, to and including Thursday, September 17, to serve their responses to Ambac's August 4, 2020 interrogatories. Please let us know as soon as possible whether Ambac will agree to the Government Parties' request. We are prepared to discuss this extension request after 12:30 EDT today.

Sincerely,

/s/ Margaret A. Dale

Margaret A. Dale